## REMARKS

Applicants respectfully request consideration of the subject application as amended herein. This Amendment is submitted in response to the Office Action mailed on June 20, 2003, in which pending claims were rejected by the Examiner under §§ 102(e) and 103 (a) based on Babula, et al., (U.S. Patent No. 6,381,557, hereinafter "Babula"). In this Amendment, claims 1, 11 and 23-27 have been amended and claims 30-32 have been added. No new matter has been added.

Babula discloses a technique for evaluating the operative state of medical diagnostic systems. The evaluation is performed by a remote service facility that receives service requests pertaining to the medical diagnostic systems over a network.

Contrary to the presently claimed invention, Babula does not disclose or suggest having consumer electronic devices operable to locally diagnose the functionality of one another. Even assuming that a consumer electronic device can be interpreted as a medical diagnostic system as asserted by the Examiner, the medical diagnostic systems in Babula are not operable to diagnose one another. Instead, Babula provides separate devices (field service unit 24 and management stations 70) that are specifically designated to perform service-related tasks for the medical diagnostic systems. Accordingly, Babula lacks at least the features of the presently claimed invention that require having a group of consumer electronic devices that are operable to locally diagnose the functionality of one another. If there is an indication of a problem with any consumer electronic device from the group, another consumer electronic device from the group is used to diagnose the problematic device. When this other consumer electronic device has a problem, the first device or some other device from the group is used for diagnosis. Babula lacks at least the above pertinent features of the present invention that are included in independent claims 1, 11, 23-27 and 30.

Thus, claims 1, 11, and 23-27, and their corresponding dependent claims, are patentable over Babula.

New independent claim 30 is directed to a system that includes multiple home consumer electronic devices, with each home consumer electronic device including functionality to locally diagnose a fault in at least one other home consumer electronic device. As discussed above, Babula does not teach or suggest that its medical diagnostic systems are operable to diagnose one another. Accordingly, claim 30 and its corresponding dependent claims are patentable over Babula.

Therefore, Applicants respectfully request the withdrawal of the rejections under 35 U.S.C. §§102(e) and 103(a). Applicants furthermore submit that all pending claims are in condition for allowance, which action is earnestly solicited.

## **Deposit Account Authorization**

Authorization is hereby given to charge our Deposit Account No. 02-2666 for any charges that may be due. Furthermore, if an extension is required, then Applicant hereby requests such extension.

If the Examiner determines the prompt allowance of these claims could be facilitated by a telephone conference, the Examiner is invited to contact Marina Portnova at (408) 720-8300.

Respectfully submitted,

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Dated: September 11, 2003

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